

ENTERED

March 22, 2022

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION****IN RE:****PREFERRED READY-MIX LLC,****Debtor.**§
§
§
§
§
§
§**CASE NO: 21-33369****CHAPTER 11****ORDER GRANTING MOTION TO ASSUME LEASE AND CONDITIONING
AUTOMATIC STAY**

Before the Court at the Motion to Assume Lease (ECF No. 65) and Motion for Relief from Stay (ECF No. 74) filed by the debtor and creditor/landlord, Alisons, Inc. L.L.C. respectively. Hearing was held on March 22, 2022. For the following reasons the Motion to Assume is granted on condition of the timely cure of the lease by the debtor [as detailed below] and the stay is conditioned on the assumption of the lease i.e., the debtor's compliance with the terms of this order.

The lease (ECF No. 125-6) is a two-year lease of debtor's business premises at 8750 Scranton St. Houston, Texas. The lease term is from April 1, 2021, to March 31, 2023. The lease payment is \$1550.00 per month. Importantly, the lease has a late payment provision. That late payment provision is as follows:

"5) RENT IS TO BE PAID BY THE 1ST OF THE MONTH VIA ACH PER PAGE 3 SECTION 4 (E). If rent is received after the 5th of the month per page 4 Section 4 (G) there is a 10% late fee. NOTE: If rent is not received until after the 10th of the month an ADDITIONAL late fee of \$500 is do with rent."

There appears to be no dispute that rent has been paid, however, it has not been paid timely. Late charges of \$1650.00 are due [less any payment in transit as of the date of this order], given the late payment of rent by the debtor. Accordingly, assumption of the lease is conditioned [first] on the payment of this sum [less any credit for payments in transit] on or before April 1, 2022.

Additionally, the lease has an insurance requirement. The insurance requirement is as follows:

During all times this lease is in effect, Tenant must, at Tenant's expense, maintain in full force and effect from an insurer authorized to operate in Texas: (1) public liability insurance naming Landlord as an additional insured with policy limits on an occurrence basis in a minimum amount of: (a) \$1,000,000;"

Accordingly, assumption of the lease is conditioned [second] on the debtor providing proof of this insurance to the landlord not later than April 1, 2022.

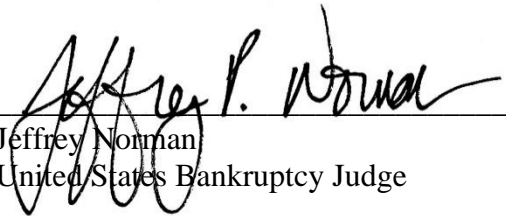
Lastly, the assumption of the lease [third] is conditioned on the payment by the debtor of any approved attorney fees for the landlord/creditor after application and order. Counsel shall file any such application within 30 days of the date of this order.

The automatic stay of 11 USC 362 is conditioned on lease assumption. The stay shall remain in place unless the debtor defaults under the terms of this order. Should the debtor default, the stay shall lift.

Alisons Inc. L.L.C. shall file with the Court and serve on the debtor a notice of any violation of this order. Debtor shall have 3 working days to cure and file a response in opposition, with a request for hearing. The Court will promptly hold a hearing and enter any appropriate order.

SO ORDERED.

SIGNED 03/22/2022



Jeffrey Norman
United States Bankruptcy Judge